



WISCONSIN

**DEPARTMENT OF WORKFORCE DEVELOPMENT**

Division of Economic Support

Bureau of Work Support Programs

TO: **Economic Support Supervisors  
Economic Support Lead Workers  
Training Staff  
Child Care Coordinators  
W-2 Agencies**

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**BWSP OPERATIONS MEMO**

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Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: HIGH

SUBJECT: **BADGERCARE TEST CHILDREN**

**CROSS REFERENCE:** MA Handbook, Appendix 12.4.3 & 12.4.7

**PURPOSE**

This Operations Memo clarifies the policies covered in the January and May 2000 Medical Assistance Handbook releases. This information includes:

1. A clarification of how other Medicaid eligibility, insurance coverage and insurance access affect the fiscal test group status (CARES Participation Status Code) of children in a BadgerCare Assistance Group (AG).
2. Instructions for corrective actions.

**STATUS OF CHILDREN WITH HEALTH INSURANCE COVERAGE OR ACCESS**

Old Policy

1. Test Children in a BadgerCare (BC) Assistance Group (AG) were defined as children not eligible for BadgerCare only because they were eligible for Medicaid, or were in a Medicaid AG with an unmet deductible. Test Children are counted as members of the BC AG, but do not have their income counted in determining the BC AG's eligibility or premium obligation. This means that they increase the group size used to set the income limit for eligibility and to determine if a BadgerCare premium obligation exists.
2. Children who were not eligible for Medicaid or a deductible and who also failed non-financial eligibility for BadgerCare for any reason were defined as excluded children in the BC AG. This meant that neither the child's presence nor the child's income or assets were counted in the BC AG.

New Policy

Children ineligible for BadgerCare (BC) because they are eligible for Medicaid are considered as Test Children in the BadgerCare AG. Effective January 1, 2000, children who are ineligible for Medicaid for any reason AND ineligible for BadgerCare solely due to health insurance coverage or access to an employer's or state health insurance are considered Test Children. Include these children in the BC AG size, but do not include their income when determining the eligibility of the BadgerCare assistance group.

We delayed sending this policy memo because CARES programming would not process BadgerCare cases correctly and a workaround process would have been very complex and error prone. However, CARES programming is soon being changed to comply with the policy. The program fix is scheduled to be in production on May 27.

## **CARES**

Children who fail BadgerCare non-financial eligibility for one or more of the following reasons and for no other non-financial reason should have a Participation Status Code of Test Child (TC).

<u>Failure Reason Code</u>	<u>Reason Text</u>
019 .....	Is already receiving this assistance (i.e., already eligible for another type of Medicaid.)
032 .....	Individual in the same case but different category.
280 .....	Is covered by an insurance plan ( <u>MAHB</u> Appendix 12.2.9).
281 .....	Had health plan coverage in the last 3 months ( <u>MAHB</u> Appendix 12.2.9).
284 .....	Access to health plan-employer pays 80% or more of premium ( <u>MAHB</u> Appendix 12.2.10).
285 .....	Has access to a state employees health insurance plan ( <u>MAHB</u> Appendix 12.2.10).
290 .....	Chose to meet a MA deductible rather than BadgerCare.

## **Corrective Actions**

With CARES programming fixed at the end of May, you are required to review BadgerCare cases with potential test children and redetermine eligibility for the BadgerCare AG's in June. To assist you reviewing these cases, we have created a paper report that lists the BadgerCare cases for each worker that should be reviewed. These cases all include a child who currently has a participation status code of excluded child and who could be a Test Child. Cases are either open or closed less than a calendar month.

Some of the cases are BadgerCare AG's that failed eligibility for excess income. Adding a test child to the BadgerCare group size could result in some of these cases becoming eligible for

BadgerCare. Other cases included in the report are those BadgerCare AG's that are open or in pend status and owe a premium. Increasing the BadgerCare AG size with test children could result in some of these cases no longer owing a premium. There are other cases in CARES with potential test children, however, they were not included in the report because changing their status would not affect the AG's eligibility at this time. We are attaching the report to copies of this Operations Memo going to each agency.

Review the cases on the report and redetermine BadgerCare eligibility beginning with the June benefit month. You are not required to redetermine BadgerCare eligibility for the January through May 2000 benefit period unless the primary person or authorized representative requests you to do so. Follow the special instructions below for dealing with these retroactive corrections.

### 1. Reduced Premium Cases

If you find a case no longer owes a premium for a past month because of the test child status change, you must confirm the change to allow the recipient to receive a refund of the premium. CARES is programmed to allow you to confirm BadgerCare eligibility for a previously confirmed month if the current determination is for a lower premium amount than before. EDS will also be notified of the lower premium being confirmed on CARES and will refund any excess premiums. If for some reason you are unable to confirm the BadgerCare AG in CARES, manually certify the eligible persons in the AG for BadgerCare using a Med Stat Code that does not require a premium payment (B1 or B4).

EDS will not automatically refund excess premiums when a manual certification is sent in. Call the BadgerCare premium unit at 1-888-907-4455 and request refunds for manually certified benefit months.

### 2. Newly Eligible Premium Payers

If you have a case that was ineligible for BadgerCare but would now be eligible with a premium for one of the past months, take some additional steps before confirming eligibility. This also applies to cases that do not owe a premium because it would be their initial free month. First, make sure the applicant is willing to pay a premium for those months. If the applicant does not want BadgerCare for the past month, do not confirm BC eligibility for that month. We are suspending the restrictive re-enrollment period policy for this retroactive corrective action. Do NOT apply a restrictive re-enrollment period for past months that the applicant does not want to pay a premium. If CARES applies a restrictive re-enrollment period, override AGRR using the AE delete code.

If the applicant wants the retro BadgerCare benefits, obtain the premium payer information for the family and collect the past premiums they owe. You must collect all past premiums owed before you will be able to confirm eligibility for the ongoing month. Enter the payments one-month at a time on AGPC as you rerun eligibility. Start with the oldest month first. Confirm eligibility before sending the checks on to FirStar.

If it is not possible for some reason to correct a case in CARES, manually certify the case for BadgerCare using a Med Stat Code that does not require a premium payment only. No premiums will be owed for corrected months that need manual certification.

### 3. BadgerCare/Deductible Medicaid Choice

When redetermining BadgerCare eligibility for cases, you may find some persons now eligible for BadgerCare who were also in an unmet deductible. The AGHC screen will be scheduled when a choice must be made between BadgerCare and a deductible. When running SFED for the BadgerCare AG's these persons belong to, you will have to enter a choice between BadgerCare and the deductible on AGHC. For any past month that a person was not eligible because the deductible had not been met, they may choose BadgerCare. Contact the applicant to see if s/he wants BadgerCare or the deductible for those prior months.

If they met the deductible and were already confirmed as eligible for that category of Medicaid, they are ineligible for BadgerCare for the remainder of the deductible period. You may not do overrides and make them eligible for BadgerCare for those months.

## ***CONTACT***

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Note: Email contacts are preferred. Thank you.